

STATE OF MAINE PUBLIC UTILITIES COMMISSION

KAREN GERAGHTY ADMINISTRATIVE DIRECTOR

CAD BULLETIN NO. 2012-01

To: All Electric and Gas Utilities

From: Derek D. Davidson, Director, Consumer Assistance Division (CAD)

Subject: Staff Interpretation of Revised Section of Chapter 815, § 7(I) (1) (a)

Date: August 9, 2012

This bulletin is issued pursuant to Chapter 110, § 606 of the Commission's rules and provides an informal staff interpretation of the revised section 7(I) (1) (a) of Chapter 815, which became effective on June 1, 2012. Standards for the Provision of Service, Billing, Credit and Collection, Termination of Service, and Customer Information for Electric and Gas Transmission and Distribution Utilities (Chapter 815), Order Adopting Rule Amendments, April 17, 2012.

The Legislature enacted Resolve 2011, Chapter 38 in May of 2011. The Resolve included a directive that the Commission amend Chapter 815 to require that deposits paid by small businesses "with impeccable bill-paying histories" be returned after a reasonable period, to be established by the Commission. The Commission opened Docketed Case 2011-282 and issued a Notice of Rulemaking on August 23, 2011 to amend Chapter 815.

As a result of that process, Section 7(I) (1) (a) requires a utility to refund a deposit, including accrued interest, to a small non-residential customer if the customer pays all bills or makes all payments pursuant to an established payment arrangement by the due date for 5 consecutive years and the small non-residential customer does not have a remaining account balance at the end of the 5 year period. The utility must refund the deposit and accrued interest within 30 days after the final bill of the 5 year period is paid.

A utility has asked if this section requires the refund of deposits five years from the date the amended rule went into effect or five years after the customer has met the requirements of the amended rule. The answer is a utility must refund a deposit to a small non-residential customer as soon as the five year requirement is met as of June 1, 2012. For example, if a small business customer was assessed a deposit on August 1, 2007 and has paid all monthly

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bills since that time when due and does not currently have an account balance, the utility is required to refund the deposit 30 days after August 1, 2012. Consequently, utilities are required to immediately refund deposits held for any small non-residential customers longer than five years as of June 1, 2012 who have met the requirements of the rule for return of the deposit.

This is an informal staff interpretation of Chapter 815. Utilities have the right to request an Advisory Ruling from the Commission pursuant to Chapter 110, part 6 of the Commission's rules. If anyone has questions regarding this opinion, please contact me at (207) 287-1596 or at Derek.d.davidson@maine.gov.

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